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Mexican Wheels Are Lubricated By Official Oil

Official corruption is so pervasive and so lucrative in Mexico that it boggles the minds of Americans accustomed to gift wristwatches and interest-free loans taken by a few Reagan administration big shots.

This is something you might want to keep in mind when Mexican President Miguel de la Madrid calls on President Reagan this week. De la Madrid's predecessors have become wealthy beyond the dreams of avarice during their terms as president.

They have acquired enormous riches while the vast majority of Mexicans remain dirt poor. When huge oil deposits were discovered in Mexico, for example, there was hope that poverty might be alleviated south of the border. Instead, the oil bonanza simply enriched the big boys, and Mexico is now on the brink of bankruptcy.

The CIA, concerned that corruption in Mexico could lead to a revolution on our southern doorstep, has been keeping track of the "take." The disclosures have come from well-placed sources and intercepted bank transfers.

Over the last decade, the CIA estimates that official corruption has put literally billions of dollars into the pockets of the politically well-connected, while Mexican peasants swarm across our border to do back-breaking stoop labor so their families back home won't starve.

On a trip to Mexico, my associate Dale Van Atta investigated official corruption. He found that the "mordida" (bite) is routine. Bribes and favors are snatched up by crooked politicians at all levels.

But it's at the top—in the presidential palace—that the system really pays off. The CIA estimates that Luis Echeverria, president from 1970 to 1976, made at least \$300 million and possibly as much as \$1 billion while in office.

But that was peanuts compared with what his handpicked successor, Jose Lopez Portillo, acquired during his six years as president. The CIA estimates the increase in his personal wealth at anywhere from \$1 billion to \$3 billion.

It should be kept in mind that Mexican law is different from ours. A Mexican president may be able to enrich himself through his office without running afoul of the statutes.

Perhaps this encourages the corruption, which is rampant from top to bottom. The powerful take much; their subordinates take less, but everybody takes.

This doesn't mean that Mexican presidents approve of the corruption that has eroded the government—save for their own massive take, of course. While Lopez Portillo was siphoning off billions into his own bank accounts, for example, he sought to impose upon the politicians under him at least the appearance of integrity.

He called corruption the "cancer of this country" and launched an anti-corruption campaign in 1978. The crackdown spawned at least 900 investigations.

Government coffee officials wound up in prison for embezzling more than \$100 million. The head of customs and an undersecretary of labor were jailed. And under a new law making "inexplicable enrichment" a crime, the governor of Coahuila state, across the Rio Grande from Texas, was sentenced to prison for making some \$30 million in a six-month period.

Even one of Lopez Portillo's associates got caught in the cleanup. Jorge Diaz Serrano, whom Lopez Portillo put in charge of Pemex, the state-owned oil monopoly, was accused of "diverting" about \$4 billion in oil revenues during 1979 alone. More than 300 million barrels of oil couldn't be accounted for between 1976 and 1982. The Pemex boss claimed that the oil had evaporated after being spilled.